

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

S

W-20435A
Sonoita Valley Water Company
2102 N. Forbes, #107
Tucson, AZ 85745

RECEIVED

NOV 27 2006

ARIZONA CORP COMM
Director Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2006
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FOR COMMISSION USE

ANN 04	06
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PROCESSED BY:

4-1007 RF

SCANNED

COMPANY INFORMATION

Company Name (Business Name) Sonoita Valley Water Company		
Mailing Address 2102 N. Forbes, #107		
(Street)		
Tucson	AZ	85745
(City)	(State)	(Zip)
520-624-4404	520-792-0377	
Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____		
Local Office Mailing Address Same as above		
(Street)		
(City)	(State)	(Zip)
Local Office Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____		

MANAGEMENT INFORMATION

Management Contact: Southwestern Utility Management, Inc.			
(Name)		(Title)	
2101 N. Forbes, #107	Tucson	AZ	85745
(Street)	(City)	(State)	(Zip)
520-624-4404	520-792-0377		
Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			
On Site Manager: Pat Blank			
(Name)			
2102 N. Forbes, #107	Tucson	AZ	85745
(Street)	(City)	(State)	(Zip)
520-624-4404	520-792-0377		
Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent Ezra H. Lewis			
(Name)			
2102 N. Forbes, #107	Tucson	AZ	85745
(Street)	(City)	(State)	(Zip)
520-624-4404	520-792-0377		
Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Attorney:			
(Name)			
(Street) (City) (State) (Zip)			
Telephone Number (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)			

OWNERSHIP INFORMATION

Check the following box that applies to you company:

<input type="checkbox"/> Sole Proprietor (S)	<input type="checkbox"/> C Corporation (C) (Other than Association/Co-Op)
<input type="checkbox"/> Partnership (P)	<input checked="" type="checkbox"/> Subchapter S Corporation (Z)
<input type="checkbox"/> Bankruptcy (B)	<input type="checkbox"/> Association/Co-Op (A)
<input type="checkbox"/> Receivership (R)	<input type="checkbox"/> Limited Liability Company
<input type="checkbox"/> Other (Describe) _____	

COUNTIES SERVED

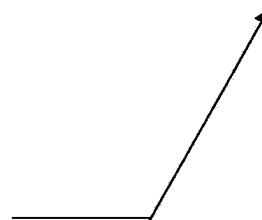
Check the box below for the county/ies in which you are certificated to provide service:

<input type="checkbox"/> APACHE	<input checked="" type="checkbox"/> COCHISE	<input type="checkbox"/> COCONINO
<input type="checkbox"/> GILA	<input type="checkbox"/> GRAHAM	<input type="checkbox"/> GREENLEE
<input type="checkbox"/> LA PAZ	<input type="checkbox"/> MARICOPA	<input type="checkbox"/> MOHAVE
<input type="checkbox"/> NAVAJO	<input type="checkbox"/> PIMA	<input type="checkbox"/> PINAL
<input type="checkbox"/> SANTA CRUZ	<input type="checkbox"/> YAVAPAI	<input type="checkbox"/> YUMA
<input type="checkbox"/> STATEWIDE		

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D (OC less AD)
301	Organization	199	---	199
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	71	71	---
307	Wells and Springs	9091	7332	1759
311	Pumping Equipment	17200	4590	12610
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	5985	5821	164
331	Transmission and Distribution Mains	110313	74833	35480
333	Services	4005	3058	947
334	Meters and Meter Installations	2383	1291	1092
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	149247	96996	52251

This amount goes on the Balance Sheet Acct. No. 108



See Accountants' Report.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)*
301	Organization	199		
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	71	5%	
	Wells and Springs	9091	5%	93
311	Pumping Equipment	17200	5%	665
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	5985	5%	9
331	Transmission and Distribution Mains	110313	5%	1867
333	Services	4005	5%	50
334	Meters and Meter Installations	2383	5%	57
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	149247		2741

Less: Amortization of Contributions in Aid of Construction

(260)
2481

This amount goes on Comparative statement of Income and Expense Acct. No. 403.

*Depreciation for 2006 is calculated on O.C.L.D.

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 364	\$ 1650
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	1073	1100
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 1437	\$ 2750
	FIXED ASSETS		
101	Utility Plant in Service	\$ 145849	\$ 149247
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(94256)	(96996)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 51593	\$ 52251
	TOTAL ASSETS	\$ 53030	\$ 55001

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 17445	\$ 1194
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		56200
235	Customer Deposits	2566	2218
236	Accrued Taxes	205	229
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	23094	---
	TOTAL CURRENT LIABILITIES	\$ 43310	\$ 59841
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	5200	5200
272	Less: Amortization of Contributions	(2860)	(3120)
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 2340	\$ 2080
	TOTAL LIABILITIES	\$ 45650	\$ 61921
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$ 1000
211	Paid in Capital in Excess of Par Value*		
215	Retained Earnings	7380	(7920)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 7380	\$ (6920)
	TOTAL LIABILITIES AND CAPITAL	\$ 53030	\$ 55001

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 13083	\$ 13821
460	Unmetered Water Revenue		
474	Other Water Revenue	180	60
	TOTAL REVENUES	\$ 13263	\$ 13881
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	2527	3090
618	Chemicals		16
620	Repairs and Maintenance	2568	818
621	Office Supplies and Expense	1281	1043
630	Outside Services	12893	15472
635	Water Testing	850	909
641	Rents		
650	Transportation Expense		3200
657	Insurance – General Liability		1306
659	Insurance – Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense		45
403	Depreciation Expense	2468	2481
408	Taxes Other Than Income		
408.11	Property Taxes	957	787
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 23544	\$ 29167
	OPERATING INCOME/(LOSS)	\$ (10281)	\$ (15286)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income	1060	8
426	Miscellaneous Non-Utility Income		
427	Interest Expense	(367)	(22)
	TOTAL OTHER INCOME/(EXPENSE)	\$ 693	\$ (14)
	NET INCOME/(LOSS)	\$ (9588)	\$ (15300)

COMPANY NAME Sonoita Valley Water Company

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ 1,932.50

Meter Deposits Refunded During the Test Year \$ 313.00

COMPANY NAME	Sonoita Valley Water Company
Name of System	ADEQ Public Water System Number (if applicable) 12-005

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-633050	2	10	503	4"	5/8"	
55-528690	1	7	296	6"	5/8"	

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10,000	2	3,000	1

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME Sonoita Valley Water Company
Name of System ADEQ Public Water System Number (if applicable) 12-005

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	300
3	PVC	5,838
4	PVC	6,570
5		
6		
8		
10		
12		
4	AC	6,781

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	38
3/4	
1	1
1 1/2	1
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

STRUCTURES:

250" of 5" Chain Link Fence

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

Name of System	ADEQ Public Water System Number (if applicable) 12-005
----------------	--

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2006

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	40	120	211	0
FEBRUARY	40	122	122	0
MARCH	40	162	197	0
APRIL	40	221	221	0
MAY	40	206	206	0
JUNE	40	254	254	0
JULY	40	222	222	0
AUGUST	40	177	191	0
SEPTEMBER	40	136	138	0
OCTOBER	40	185	231	0
NOVEMBER	40	177	224	0
DECEMBER	40	162	224	0
TOTALS →		2,144	2,441	

What is the level of arsenic for each well on your system? 0.0033 mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? N/A GPM for hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
☐ Yes ☒ No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
☐ Yes ☒ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
☐ Yes ☒ No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

PROPERTY TAXES

Amount of actual property taxes paid during Calendar year 2006 was \$786.66

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property tax paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT
Taxes**

RECEIVED
12 CORP COMM
Director Utilities

VERIFICATION

**STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE**

(COUNTY OF (COUNTY NAME)) Pima	
NAME (OWNER OR OFFICIAL) Ezra H. Lewis	TITLE President
COMPANY NAME Sonoita Valley Water Company	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION
COMMISSION**

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS. PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

**I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE
CURRENT AND PAID IN FULL.**

**I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT
AND PAID IN FULL.**


SIGNATURE OF OWNER OR OFFICIAL

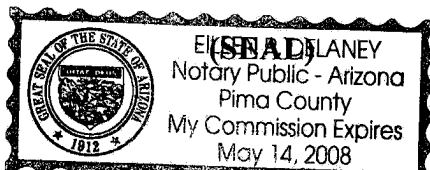
520-623-5172
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 27 th **DAY OF**

COUNTY NAME	PIMA
MONTH	MARCH 20 07



MY COMMISSION EXPIRES

May 14, 2008


SIGNATURE OF NOTARY PUBLIC

INCOME TAXES

For this reporting period, please provide the following:

Federal Taxable Income Reported

Estimated or Actual Federal Tax Liability

S Corporation

State Taxable Income Reported

Estimated or Actual State Tax Liability

S Corporation

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances

Amount of Gross-Up Tax Collected

Total Grossed-Up Contributions/Advances

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE3/27/07
DATEEzra H. Lewis
PRINTED NAMEPresident
TITLE

RECEIVED

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	Pima
NAME (OWNER OR OFFICIAL) TITLE	Ezra H. Lewis, President
COMPANY NAME	Sonoita Valley Water Company

12 CORP COMM
Director Utilities

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2006 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 14776

(THE AMOUNT IN THE BOX ABOVE
INCLUDES \$ 895.35
IN SALES TAXES BILLED, OR COLLECTED)

**REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)

Ezra H. Lewis
SIGNATURE OF OWNER OR OFFICIAL

520-623-5172

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

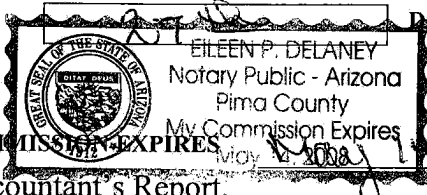
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 21 DAY OF

(SEAL)

MY COMMISSION EXPIRES

See Accountant's Report.



COUNTY NAME	PIMA
MONTH	MARCH 2007

Eileen P. Delaney
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only**

RECEIVED

MAY 17 2007

AZ CORP COMM
Director Utilities

VERIFICATION

**STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE**

COUNTY OF (COUNTY NAME)	
Pima	
NAME (OWNER OR OFFICIAL)	TITLE
Ezra H. Lewis	President
COMPANY NAME	
Sonoita Valley Water Company	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS. PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01 ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2006 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 14776

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 895.35

IN SALES TAXES BILLED, OR COLLECTED)

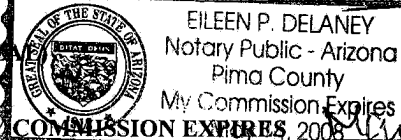
***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

Ezra H. Lewis
SIGNATURE OF OWNER OR OFFICIAL

520-623-5172
TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

THIS 27 th **DAY OF**


EILEEN P. DELANEY
Notary Public - Arizona
Pima County
My Commission Expires 8/14/14

See Accountants' Report

NOTARY PUBLIC NAME	
EILEEN P. DELANEY	
COUNTY NAME	
PIMA	
MONTH	YEAR
MARCH	2007

X *Eileen P. Delaney*
SIGNATURE OF NOTARY PUBLIC

HOLM, HESTAND & VALENZUELA, CPAs, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

3131 NORTH COUNTRY CLUB ROAD, SUITE 109

TUCSON, ARIZONA 85716

DOUGLAS R. HOLM, CPA
EMMA K. HESTAND, CPA
JANETTE G. VALENZUELA, CPA

TELEPHONE: (520) 326-8483
FAX: (520) 795-5191
E-MAIL: HHVCPA@EARTHLINK.NET

COMPILATION ENGAGEMENT REPORT

We have compiled the balance sheets of Sonoita Valley Water Company as of December 31, 2006 and 2005, and the related comparative statements of income and expense for years then ended, included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the prescribed form.

Our compilation was limited to presenting in the form prescribed by the Arizona Corporation Commission--Utilities Division information that is the representation of management. We have not audited or reviewed the financial statements and supplementary information referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements and the supplementary information are presented in accordance with the requirements of the Arizona Corporation Commission--Utilities Division which differ from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

Holm, Hestand, Valenzuela CPAs P.C.

March 17, 2007

SONOITA VALLEY WATER CO.

PO Box 85160
TUCSON, AZ 85754
(520) 623-5172

WELLS FARGO BANK, N.A.
WWW.WELLSFARGO.COM
91-527/1221

1106

10/11/2006

PAY TO THE ORDER OF Caesar A. Ramirez, County Treasurer

\$ **360.33

Three Hundred Sixty and 33/100*****

DOLLARS

Caesar A. Ramirez
County Treasurer
P.O. Box 250
Nogales, AZ 85628

VOID AFTER 90 DAYS

MEMO: Parcel 919-52-500 9 2006 1st half

[Signature]

⑈001106⑈ ⑆122105278⑆5306074195⑈

SONOITA VALLEY WATER CO.

Caesar A. Ramirez, County Treasurer

1106

Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
10/10/2006	Bill	919-52-500 9 2006/1s	360.33	360.33		360.33
				Check Amount		360.33

131100 - Wells Fargo Parcel 919-52-500 9 2006 1st half

360.33

DETACH AND RETURN WITH PAYMENT

Make check payable to:

Payment in U.S. FUNDS ONLY

Caesar Ramirez
Santa Cruz County Treasurer
2150 N Congress Dr
Nogales AZ 85621-1091

1

TO PAY 1ST HALF ONLY	PAY	360.33
TO PAY FULL YEAR TAX	PAY	720.66

If your mortgage company makes your property tax payments consider this notice as a courtesy copy for your records only.



12919525000900000036033



Caesar Ramirez
Santa Cruz County Treasurer
2150 N Congress Dr
Nogales AZ 85621-1091

2006 9195250009 1 00000007206600000036033

2006 FIRST HALF PAYMENT COUPON

Due October 1, 2006

SONOITA VALLEY WATER COMPANY

919-52-500 9 0041667

Delinquency Date First Half Payment
Penalty for late payment is 16% per year prorated monthly as of the 1st day of the month for payments postmarked after 5:00 P.M. November 1, 2006 (ARS 42-18052 and ARS 42-18053).

Any total property tax of \$100 or less must be paid in full using the first payment coupon, no later than November 1, 2006 at 5:00 p.m.

To pay taxes for the full year, send the 1st half coupon with your payment postmarked no later than Dec. 31, 2006. Delinquent interest will be waived.

2005 SECOND HALF PAYMENT COUPON

DETACH AND RETURN WITH PAYMENT

Payment in U.S. FUNDS ONLY
Make check payable to:
Caesar Ramirez
Santa Cruz County Treasurer**Due March 1, 2006****SONOITA VALLEY WATER COMPANY****119 52 500 9** 041184**TO PAY 2ND HALF****PAY****426.33**

129195250000900000042633

Delinquency Date Second Half Payment
Penalty for late payment is 16% per year
prorated monthly as of the 1st day of the month
for payments postmarked after 5:00 P.M.
May 1, 2006 (ARS 42-18052 and ARS 42-
18053).**Caesar Ramirez**
Santa Cruz County Treasurer
2150 N Congress Dr
Nogales AZ 85621-1091

2005 9195250000 2 00000008526600000042633

SONOITA VALLEY WATER CO.PO Box 85160
TUCSON, AZ 85754
(520) 623-5172WELLS FARGO BANK, N.A.
WWW.WELLSFARGO.COM
91-527/1221**1066**

3/29/2006

PAY TO THE
ORDER OF Caesar A. Ramirez, County Treasurer**\$ **426.33**Four Hundred Twenty-Six and 33/100***** **DOLLARS**Caesar A. Ramirez
County Treasurer
P.O. Box 250
Nogales, AZ 85628

VOID AFTER 90 DAYS

MEMO:

2nd Half Prop Tax 2005, Parcel ID: 919 52 500 9 2500

⑈001066⑈ ⑆122105278⑆5306074195⑈

SONOITA VALLEY WATER CO.**1066**

Caesar A. Ramirez, County Treasurer

3/29/2006

Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
02/14/2006	Bill	2nd Half 2005	426.33	426.33		426.33
				Check Amount		426.33